Diversion of Government expenditure

4242. SHRI R. P. GOENKA: Will the PRIME MINISTER be pleased to state:

(a) whether the PlanningCommission have in their mid-term appraisal of the Ninth Plan recommended any measures by which the diversion of Government's expenditure from investment to consumption is arrested, and

(b) if so, the details of steps taken or proposed to be taken in this regard?

THfi MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI ARUN SHOURIE): (a) The measures recommended by the Planning Commission in the Mid Term Appraisal of the Ninth Five Year Plan, for arresting the diversion of expenditure from investment to consumption are, *inter alia,* downsizing bureaucracy, control over wasteful expenditure in all Government departments, re-prioritization of plan expenditure to eliminate schemes which are of doubtful value, enhancing efficiency and accountability of public expenditure, proper pricing of services, curtailing subsidies, better targeting and restricted coverage of public distribution system, expediting disinvestments process and better governance.

(b) Some policy initiatives in this regard, that have been announced in the Union Budget 2001-2002 are:

0) All requirements of recruitment will be scrutinized to ensure that fresh recruitment is limited to one per cent of total civilian staff strength.

(ii) Recommendations of the Expenditure Reforms Commission to be implemented by July 31,2001 and identified surplus staff transferred to the Surplus Pool.

(iii) The Surplus Pool will be equipped to re-deploy and retrain surplus staff. Employees in the Surplus Pool will also be offered an attractive VRS package.

(iv) Postal rates will be revised moderately to contain the rising postal deficit.

(v) Standard licence fee (rent) on Government accommodation beL: j enhanced with effect from April 1,2001.

(vi) Facility of LTC to Central Government employees suspended for two years.

(vii) A high Level Expert Group set up to review the existing pension system and to provide a roadmap for the next steps to be taken by the Government. Those who enter Central Government services after October 1,2001 to receive pension through a new pension progamme based on defined contributions.

(viii) Administered interest rates being reduced by 1 to 1.5 per cent points as of March 1,2001.

Planning Commission's Recommendations for Second Generation Reforms

4243. SHRI R. P. GOENKA: Will the PRIME MINISTER be pleased to state:

(a) the details of the major second generation reforms that the Planning Commission has recommended;

(b) Government's response to these recommendations; and

(c) the reforms that Government propose to undertake in the next one year and the strategy outlined therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI ARUN SHOURIE): (a) to (c) The Draft Tenth Plan Approach Paper, which contains, *inter alia,* some suggestions on reforms thatneed to be implemented, is yet to be cleared by the National Development Council (NDC).

Removal of BPL and APL Categories

4244. SHRI KHAGEN DAS: Will the PRIME MINISTER be pleased to state:

(a) whether Government want to remove the "Below Poverty Line" and 'Above Poverty Line" categories; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI ARUN SHOURIE): (a) No, Sir.

(b) Does not arise.